

The Impact of Organisational Culture and Leadership on Employee Performance: A Study at the Regional Revenue Agency (BAPENDA) of the Tidore Islands

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ABSTRACT

This study aims to examine the influence of organisational culture and leadership on employee performance at the Regional Revenue Agency (BAPENDA) of the Tidore Islands, both partially and simultaneously. A quantitative research approach was employed, with data collected through questionnaires distributed to 60 respondents. The data were analysed using SPSS software, incorporating data quality testing, classical assumption tests, and multiple linear regression analysis. The results of the F-test indicate that organisational culture and leadership simultaneously exert a significant influence on employee performance, with an F-value of 208.359 and a significance level of 0.000, which is below the 0.05 threshold. Partially, the t-test results demonstrate that organisational culture has a dominant and statistically significant effect, whereas leadership does not exhibit a significant individual impact within this specific context. Overall, the findings suggest that a strong organisational culture constitutes the primary strategic determinant of public service quality and organisational productivity at BAPENDA of the Tidore Islands.

Keywords:

Organisational Culture; Leadership; Employee Performance

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INTRODUCTION

In the era of globalisation and increasing public demand for high-quality services, human resources have become the most strategic asset within organisations, particularly in public sector institutions. The effectiveness of public administration is highly dependent on employee performance, which serves as a key indicator of organisational success. Employee performance is not solely a reflection of individual competence but is also significantly influenced by internalised organisational values and the quality of leadership.

Within the context of the Regional Revenue Agency (BAPENDA) of the Tidore Islands, preliminary observations reveal several challenges in achieving optimal performance. Data derived from the 2024 Performance Accountability Report (LKIP) indicate that organisational performance remains suboptimal, as reflected by a performance score of 68.12 (Category B), suggesting the need for further improvement. Moreover, the realisation of Regional Original Income (PAD) in 2023 reached only 78% of the targeted amount. This discrepancy indicates a gap between organisational objectives and their implementation, which may stem from deficiencies in organisational culture and leadership practices.

These challenges are closely associated with two critical factors: organisational culture and leadership. Organisational culture represents a system of shared values and beliefs that guide employee behaviour and performance. Leadership, on the other hand, functions as the driving force that motivates and directs employees towards achieving organisational goals. Weak organisational culture and inconsistent

leadership practices may result in reduced discipline and productivity, thereby adversely affecting public service delivery and revenue generation.

Previous empirical studies have produced varied findings regarding the influence of these variables across different regional contexts, particularly in archipelagic areas such as the Tidore Islands. Therefore, it is essential to conduct an empirical investigation within this specific institutional setting. This study seeks to provide a scientific basis for the development of human resource strategies that enhance professionalism, accountability, and performance orientation in public service delivery.

Literature Review

1. Employee Performance

Employee performance refers to the quality and quantity of work accomplished by an individual in fulfilling assigned responsibilities. Mangkunegara (2020) defines performance as the outcome of work achieved by an employee in carrying out their organisational duties. Key performance indicators typically include work quality, quantity, timeliness, and teamwork capability. In the public sector, high performance is essential to ensure efficient, transparent, and accountable service delivery.

2. Organisational Culture

Organisational culture is defined as a system of shared meanings and values that distinguishes one organisation from another. According to Robbins (2018), it functions as a form of social cohesion that binds members through shared norms and standards. Schein (2010) further conceptualises organisational culture as a pattern of basic assumptions learned by a group in solving problems, which are subsequently transmitted to new members as appropriate ways of thinking and behaving. A strong organisational culture within BAPENDA is expected to provide a stable foundation that guides employee behaviour and enhances performance consistency.

3. Leadership

Leadership is the ability to influence, motivate, and direct individuals towards achieving organisational objectives. Hasibuan (2019) describes leadership as the art of influencing subordinates to work collaboratively and productively. Robbins (2018) emphasises leadership as the capacity to guide a group towards achieving a shared vision. Within the bureaucratic structure of BAPENDA, effective leadership is reflected in decision-making ability, communication competence, and the capacity to serve as a role model.

Hypotheses Development

This study tests the following hypotheses: (1) H1: Organisational culture has a significant effect on employee performance. (2) H2: Leadership has a significant effect on employee performance. (3) H3: Organisational culture and leadership simultaneously have a significant effect on employee performance.

Reserch Model

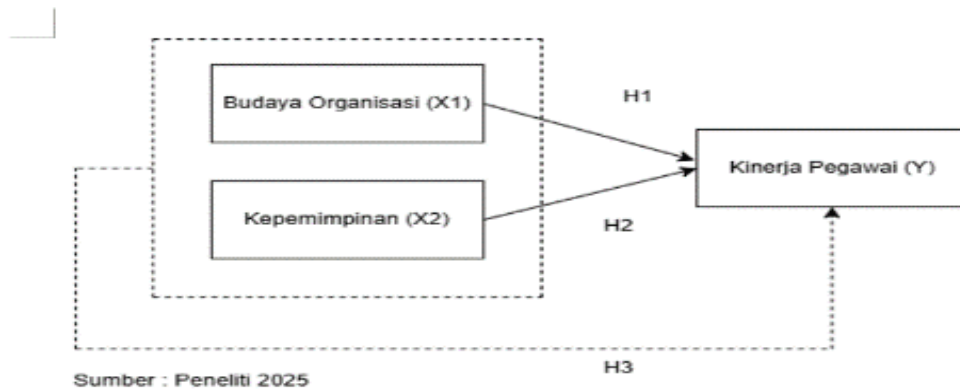


Figure 1 Conceptual Framework

The conceptual framework of this study illustrates the relationship between organizational culture, leadership, and employee performance. These variables are proposed to influence performance both partially and simultaneously. This model is developed based on previous theories and empirical evidence indicating that a strong organizational culture and effective leadership are critical in strengthening employee outcomes at the Bapenda Office of Tidore Islands.

METHOD

This study employs a quantitative research design to analyse the effects of organisational culture and leadership on employee performance at BAPENDA of the Tidore Islands. The population consists of 60 employees, all of whom were included as respondents through a saturated sampling technique (total sampling), thereby ensuring comprehensive representation and minimising sampling error.

Data were collected using a structured questionnaire based on established theoretical constructs. Validity testing was conducted to ensure construct accuracy, while reliability testing using Cronbach’s Alpha confirmed internal consistency. All variables were measured using a five-point Likert scale ranging from “Strongly Disagree” to “Strongly Agree”.

Hypothesis testing was conducted using multiple linear regression analysis in SPSS. The analysis examined both partial effects (t-test) and simultaneous effects (F-test). Classical assumption tests, including normality, multicollinearity, and heteroscedasticity tests, were also performed to ensure that the regression model satisfied the BLUE (Best Linear Unbiased Estimator) criteria. A significance level of 0.05 was applied throughout the analysis.

RESULTS AND DISCUSSION

Table 1. Regression Results Coefficients^a

Model	Unstandardised Coefficients (B)	Std. Error	Standardised Coefficients (Beta)	t	Sig.
(Constant)	0.312	0.191	–	1.634	0.108
Organisational Culture	0.900	0.085	0.911	10.593	0.000
Leadership	0.035	0.094	0.032	0.369	0.713

^aDependent Variable: Employee Performance

The Effect of Organisational Culture on Employee Performance

The findings indicate that organisational culture has a positive and statistically significant effect on employee performance. The t-value of 10.593 exceeds the critical value, and the significance level of 0.000 is well below 0.05. This demonstrates that stronger internalisation of organisational values leads to improved employee performance.

The Effect of Leadership on Employee Performance

Leadership exhibits a positive but statistically non-significant effect on employee performance. The t-value of 0.369 and significance level of 0.713 indicate that leadership does not significantly influence performance when analysed independently. Therefore, **H2 is rejected**.

Table 2. Simultaneous Effect (ANOVA)

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	70.535	2	35.268	208.359	0.000
Residual	9.648	57	0.169	–	–
Total	80.183	59	–	–	–

Dependent Variable: Employee Performance

Simultaneous Effect of Variables

The F-test results indicate that organisational culture and leadership jointly have a significant effect on employee performance ($F = 208.359$; $p < 0.05$). Therefore, **H3 is accepted**.

Discussion

The findings confirm that organisational culture plays a dominant role in influencing employee performance. This supports Robbins' (2018) assertion that organisational culture functions as a cohesive force that directs behaviour towards organisational objectives. At BAPENDA, values such as professionalism and integrity serve as critical drivers of employee productivity.

Conversely, leadership does not exhibit a significant independent effect. This finding suggests that within a structured bureaucratic environment, established systems and routines may reduce reliance on individual leadership influence. Employees may depend more on institutionalised norms than on leadership intervention.

Nevertheless, the simultaneous analysis demonstrates that leadership contributes indirectly when combined with organisational culture. This aligns with human resource management theory, which emphasises the importance of synergy

between structural leadership and cultural values in achieving organisational effectiveness.

CONCLUSION

This study concludes that organisational culture has a significant and dominant influence on employee performance at BAPENDA of the Tidore Islands. A strong system of shared values effectively guides employee behaviour and enhances productivity.

In contrast, leadership does not have a significant partial effect, indicating that bureaucratic routines and established work culture play a more substantial role in shaping performance outcomes.

However, when considered simultaneously, organisational culture and leadership significantly influence employee performance. This highlights the importance of integrating cultural strength with supportive leadership structures.

Overall, maintaining a robust organisational culture is essential for sustaining high-quality public services. Leadership should be refined to complement and reinforce this cultural foundation to ensure long-term organisational effectiveness.

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